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WAGING WAR ON HUNGER

EEC GRAIN PRICES SYSTEM IN OPERATION

BRITAIN'S DEVALUATION AND U.S. FARM TRADE

STUDY IN EUROPE BY U.S. FEEDGRAIN TEAM

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FOREIGN AGRICULTURE

Including FOREIGN CROPS AND MARKETS

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DECEMBER 4, 1967
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Members of the U.S. Feed Grains Export Team and their hosts in France stop for a picture before continuing their inspection of grain operations near Paris. For a report on the Team's findings see page 13.

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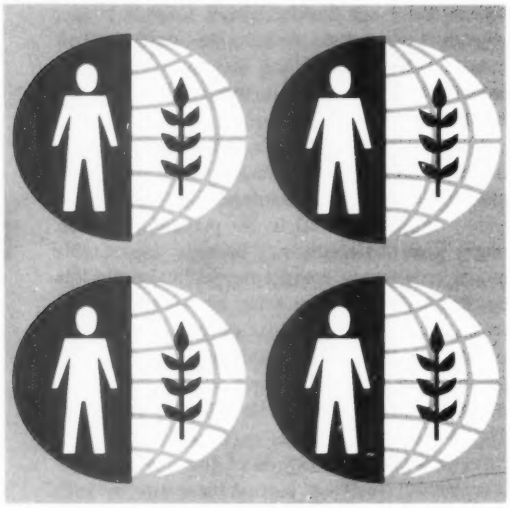

Help for Developing Countries in Waging War on Hunger

By ORVILLE L. FREEMAN
Secretary of Agriculture

Six years have passed since I first addressed the Biennial Conference of the FAO. Much has happened in those 6 years—some of it disappointing, but most of it, to me at least, encouraging.

To begin with, hard experience during those years has painfully taught the world five important basic facts about the War on Hunger that have been little understood outside FAO.

First, most of the world today is aware of the awesome dimensions of the problem—that we are in a desperate struggle—one that will require a massive, imaginative, long-range effort unprecedented in human history.

Second, FAO emphasis that agriculture is the necessary base for significant economic progress in every country is today widely accepted. Agriculture, long a stepchild in the scheme of national development, now is getting top priority in many of the developing countries.

Third, the community of nations, including my own, has accepted the premise that unqualified, concessional food shipments from agriculturally advanced countries can be a disincentive to increasing agricultural production in developing countries. We have learned that concessional shipments, properly managed, will buy time by easing food shortages and will provide resources to help economic growth, but that standing alone they are not a lasting solution to the problem.

There is also an increasing awareness that the food problem is not only a race between food and people. Rather, it is a three-way race that involves food and people and rising incomes. Economic progress and rising incomes mean rising demand for food. This is often overlooked.

Finally, there is widespread recognition that in the War on Hunger we must pay attention to food quality as well as quantity—that the overwhelming threat of famine must not obscure the fact of widespread malnutrition. This point was first made by FAO 15 or more years ago.

We know that malnutrition, particularly protein shortages, in the early years of life reduces the potential for mental as well as physical development. We know that food shortages of today are depreciating the human resources of tomorrow for at least a generation to come. Those who are mentally disadvantaged by environmental factors cannot provide the caliber of leadership which the future requires.

Overcoming protein shortages

FAO suggested 15 years ago that cereals be fortified to improve their protein impact. Today the world has the amino acids necessary to improve the quality of national diets, and we have the technology for the fortification process. Partial fortification of wheat or rice with lysine now is economically feasible. It is being done on a limited scale, and it is crucial that it be done much more widely.

In an effort to determine the feasibility of large-scale synthetic fortification, representatives of the U.S. Government have approached a number of governments to determine their interest in setting up such demonstrations. Discussions also have been held with agencies of the United Nations to obtain their support.

The U.S. Agency for International Development has signed five contracts with American companies to develop new protein foods, using raw materials that are indigenous to each country or can be easily imported. Soy protein beverages, soy foods, fortified corn foods, and protein foods from high-protein wheat fractions, all specifically tailored to the eating habits of particular less developed countries, are among the projects already underway.

We have reached the point in protein technology where we feel that we can recommend attainable goals that have a twofold purpose: One, to develop a basis for assessing the extent of the malnutrition problem; and two, to provide a basis for measuring progress in increasing protein supplies. Of course, the only ones who can set goals for individual nations are the nations themselves; no other nation and no other body can do it for them. We would present these goals only as a basis for discussion—to be accepted or rejected, modified, or revised.

A reasonable goal for fortification might be that all emergency shipments of wheat and corn flour be fortified by 1969, that all imports of wheat and all wheat products in large urban milling centers in developing countries be

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This article is excerpted from an address given by Secretary Freeman last month at the 14th Biennial Conference of the Food and Agriculture Organization of the United Nations in Rome, Italy.

fortified by 1970, and that substantial progress be made in fortification of rice by the end of 1968.

A tentative goal of 1 billion more cups of protein beverage per day by 1970 might be appropriate.

The important fact is: We have the technology to set goals and to achieve them if we all put what resources we have—human and material—to the task.

Equally exciting are the longer term prospects for genetically improving the protein quality of cereals by breeding more and better protein into the plant permanently rather than adding it synthetically in what must be a continuing process. Researchers at Purdue University have found a gene in corn that will do this, a gene with a high lysine link. They are confident that it can be integrated into commercial corn.

Breakthroughs to greater crop yields

The first priority of the food problem remains yield—the production from the farmers' fields. Here again the past few years have witnessed two far-reaching technological breakthroughs that give me cause for optimism—one by chemical engineers, the other by the plant breeders.

The engineers have developed more efficient means of synthesizing ammonia, the basic ingredient of nitrogenous fertilizers. This means that the technology is available to manufacture these fertilizers at about one-half the cost of those produced today—a fact that has tremendous implications for farmers, their governments, and hungry people all over the world.

You are familiar with what the plant breeders have done in developing new varieties of wheat and rice—man's principal staples—which far outyield traditional varieties if properly managed. I know that other speakers will address themselves to this from on-the-spot experience.

But I would like to note that the wheat, developed by the Rockefeller Foundation in Mexico, is being rapidly multiplied throughout the Middle East-South Asian region from Turkey to India. Millions of acres have been planted for harvest next spring. From present indications, it would appear that never in history has a seed strain spread so rapidly and successfully to other countries.

For its efforts to improve rice, I would like to pay tribute to the International Rice Research Institute, established in 1960 in the Philippines by the Ford and Rockefeller Foundations and the Philippine Government. Exciting new varieties from this Institute at Los Baños are now being tested, adapted, and multiplied in many rice-growing countries.

I believe the Institute, devoted solely to one crop, represents one of the brilliant successes of U.S. private foreign assistance. The impact of the varieties developed there will, I predict, serve as an engine of change, transforming traditional rural societies in many ancient countries into progressive, innovative societies of the future.

Strengthening the crop-production chain

Much of the world also has learned these last 6 years that there is more to the War on Hunger than dramatic new varieties and chemical breakthroughs.

It has learned—pushed and prodded by FAO and others—that increasing production calls for strengthening many other links in the agricultural production chain—for providing such necessities as reasonable credit, proper pricing, adequate marketing systems, sufficient water supply, and sound soil and water management.

Developing countries are finding that it takes a proper price for a product to induce farmers to increase their efforts for greater production. When this fact is fully accepted by governments throughout the world, half the battle against hunger will be won.

Speaking of prices, FAO conference delegates know that the chief source of credit in most developing countries is the local moneylender, and that his interest rates—his price for money—may range from 20 to 80 percent per year. Fertilizer bought with this credit may become unprofitable to use. High-cost credit may compel marketing at the low prices of harvesttime, further narrowing an already narrow margin of profit. I am sure that those of you in the FAO who are working on the credit problem will agree that devising effective credit systems to reach smaller farmers is one of the more complex problems facing those of us engaged in agricultural development.

However, the best credit system is of little avail in increasing farm production without a good marketing system, which means adequate storage appropriately located, a nationwide transportation system, and a reliable market information system.

A number of developing countries, now heavily dependent on concessional food imports, are predicting self-sufficiency in food production within, say, the next 5 years. Yet, despite FAO marketing efforts going back as far as 1958, there is little evidence within some of these countries of any efforts underway to develop a system to move massive quantities of food from the countryside into urban areas—a system without which self-sufficiency in food production can never become a reality.

Marketing, perhaps more than any other link in the agricultural production chain, is overlooked.

But as we talk about production, marketing, and agriculture's other concomitants, we must not lose sight of its basic source—water and land.

Most of you have seen the vast reaches of severely eroded land, much of it abandoned, in Asia, Africa, and Latin America. These huge areas of countryside are being denuded as growing human populations reach out for more fuel for cooking and warmth, more forage for their increasing livestock populations.

The ecological imbalance between man and the land on which he depends for life is worsening rapidly in many food-scarce countries, and the pressure will get worse as a projected two billion persons are added to the population of the less-developed world over the remainder of this century. The mantle of topsoil, measured in inches in most of the world, is being lost and effective water supplies are being reduced.

U.S. commitment to FAO

This need not be. We have successfully confronted this issue in the United States within my lifetime—since the Dust Bowl era of the 1930's. The Soil Conservation Service, an agency of my Department, now 17,000 strong, has successfully eliminated erosion as a serious problem on American farms. We are ready, even eager, to share what we have learned—to help in any way we can those of you who are confronting soil erosion.

Mutual help is the basic tenet of the United States commitment to FAO. We realize that no one nation, no single people, and no organization—national or international—can win this War on Hunger.

This view has long been held by President Johnson. Its soundness was confirmed for him by the Panel on World Food Supply of his Science Advisory Committee.

This distinguished group of educators, scientists, sociologists, industrialists, and agriculturists, after more than a year of intensive study, released its report last May. Some, perhaps most, of you are familiar with it. In plain talk, it says that we as nations, as human beings, as fellow passengers on this circling globe, must all help each other in an awesome task.

I believe, and the Government of the United States believes, that the Food and Agriculture Organization is the specialized agency in the United Nations family especially qualified to lead in meeting this challenge. We believe it should be strengthened wherever needed for this task.

We believe that a polarization of the nations of this earth into rich versus poor is not in the interest of either. We believe that both rich and poor will gain by higher incomes in the developing countries. We believe that all nations can and must work together to close the economic gap that separates so many—not only for humanitarian reasons, but because only in that way will the peace and security that is in the interest of all be accomplished.

Therefore, it has been heartening for me to review the 10 years under the Director Generalship of Dr. Sen, and to see how firmly this organization has been set on a course of programs designed for action in the field, which is where hunger must be met and conquered. It is heartening to learn of the steady progress of FAO's program with the World Bank, of the promise of its working arrangement with the Inter-American Bank, and of the rapport with the African and Asian Regional Banks.

Another banner of hope is the FAO/Industry Program, designed to mobilize the tremendous resources of private enterprise. Many more agribusinesses and governments in the developing countries than ever before are cooperating, with good results. More ought to be, because we all know that governments alone can't win the War on Hunger. Resources of capital and know-how in the private sector all over the world must be energized and activated.

And finally, there is the Indicative World Plan, which offers a framework within which the nations themselves—developed and developing, working together at the same time as they work separately—can set priorities and more effectively mobilize resources to wage the War on Hunger.

The world today does have the leadership; it is developing the organizational framework within which to fight this War. We have witnessed new and exciting breakthroughs in technology. Agriculture is increasingly commanding the top priority it deserves.

War can be won

To me, all this adds up to cause for confidence that the War on Hunger can be won. To be sure, we must not be unduly optimistic, but at the same time we flatly reject the black pessimism of the "famine 1975" school that has been raising frightened voice.

We have no ear for those who would abandon half the world's people as doomed to starvation, nor for those who would ignore the problem.

We can meet the challenge of a hungry world. In the words of President Johnson, "the dimension of the challenge will define the dimension of our response."

The challenge is great. It will require brains, imagination and quiet courage—the determined courage that is necessary to wage a long, unsung war on uncharted terrain. For there are no trumpets, no drums, and few banners in the War on Hunger. There are no pushbutton solutions and no spectacular blastoffs. There is nothing but long, continuing responsibility.

But the reward is great: The privilege, for this generation, the generation of the mid-Twentieth Century, of removing a spectre that has haunted man since before the dawn of time.

I am confident that, with FAO leadership and a worldwide commitment, we will have that privilege.

Drought Dims Outlook for Grain Crops in Australia for 1967-68

An abnormal rainfall pattern and serious drought conditions have hindered pasture and crop growth in some parts of Australia during the 1967-68 season. Reports indicate that farmers in the States of Victoria and South Australia are the most affected.

With the drought, Australia's prospects for a near-record 1967-68 wheat crop disappeared. On October 30, this crop was estimate at 274 million bushels, down from 462 million bushels last year. This smaller crop will cause no storage problems; in fact, storage will be in excess. Export commitments are expected to be met, but carryover will be the smallest in several years.

As of November 1, it was estimated that wheat production in the Murray-Mallee areas of South Australia was cut 75 percent—because of severe drought all year plus residual effects of 3 straight years of below-normal rainfall. The Murray River Valley was affected almost as badly. In Victoria, the Wimmera and Mallee prospects fell 50 percent during September and October.

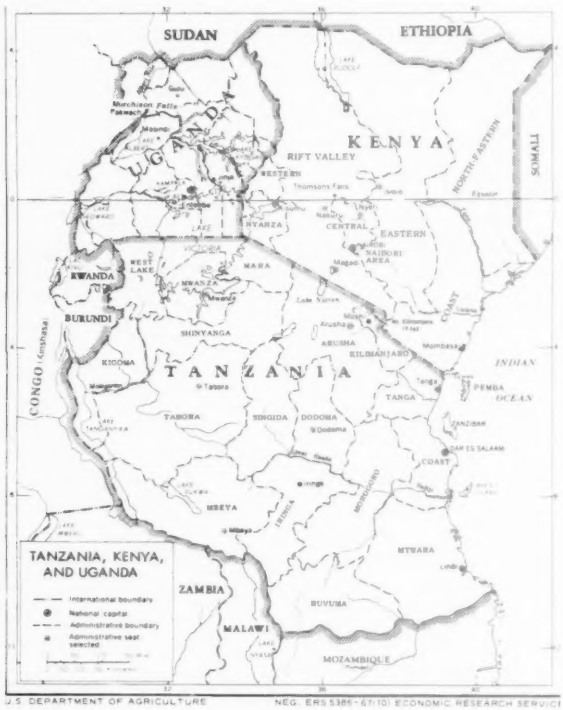
In New South Wales, crops in the Riverina area were down 45 to 50 percent of normal. New wheat areas in the western fringe of New South Wales were almost a complete loss. In the southwest part of this State, 2 million acres were not harvested, yields on another 2 million acres are reported to be so low as to suggest they will not be harvested either, and 4 million acres were expected to produce fair to average crops. Despite these reports, however, New South Wales production is estimated at 90 million bushels, suggesting that yields on the harvested acres will be reasonably good.

Although late October rains helped the prospects for late-planted coarse grains, harvest prospects nationally were down from last year. Mid-October estimates for 1967-68 crops of barley, oats, corn, and sorghum were all down from crops of the year before. Barley production was estimated at 45 million bushels, down nearly 18 percent; oats production at 59 million bushels, down 29 percent; corn production, 6.9 million bushels, down 13 percent; and sorghum at 10.5 million bushels, down 11 percent. Acreages of oats and corn increased this year, barley and sorghum acreages decreased.

Last month the Australian Government appropriated US$34 million for drought relief payments to farmers in Victoria and South Australia.

Kenya, Uganda, and Tanzania Establish "East African Community"

By CAREY B. SINGLETON, JR.
Foreign Regional Analysis Division
Economic Research Service



On Friday—December 1, 1967—the East African Community (EAC), a new common market for Kenya, Uganda, and Tanzania, came into being—as provided for in a treaty signed by the Presidents of the three member countries last June 6. The formation of this new trade group is a major step in African economic cooperation and development.

EAC replaces the East African Common Market (EACM), a *de facto* customs union of the same three countries. Under the EACM, Kenya, Uganda, and Tanzania have gradually been integrated economically during the past 30 years. Since 1950—and particularly in the past 5 years—the economies of these countries have expanded despite unfavorable terms of trade. They have developed primarily through expansion of tropical cash crops for export.

The main aims of the EAC are: To establish and maintain revised common customs and excise tariffs; modification of restrictions on regional trade; introduction of a common agricultural policy; establishment of the East African Development Bank; continued operation of such common services for the three countries as airways, port, railroad, postal, and telecommunication facilities; coordination of economic planning; and continued coordination of transport policy and operations.

Main purpose of the new East African Development Bank now being established is to hasten industrial development—primarily in Uganda and Tanzania; Kenya dominates East African industry. The EADB will be headquartered in Kampala, Uganda. Of its authorized capital of $56 million, $16.8 million will be subscribed by Kenya, Uganda, and Tanzania and the remainder by institutions or organizations that wish to be members of the bank. The EADB will be required to make 38.75 percent of its investments in Uganda, 38.75 percent in Tanzania, and 22.5 percent in Kenya.

The treaty under which the EAC was formed also provided for the introduction of a transfer tax—another measure to promote balanced industrial development among the three countries. According to the treaty, any of the three EAC member countries that is in deficit in its total trade of specified manufactured goods with the other two countries may impose transfer taxes on such goods originating in those countries.

Kenya, Uganda, and Tanzania occupy a strategic position in Africa south of the Sahara. They have access to the Indian Ocean and to the markets of the world. Compared with the European Economic Community, EAC's land area is half again as large, its population only about one-eighth as numerous.

EAC countries export tropical agricultural products and import foodstuffs, other consumer goods, machinery, and chemicals. In 1966 the total volume of trade of EAC countries amounted to $1.2 billion—$569 million in exports and $615 million in imports. Trade is conducted essentially on a nondiscriminating basis. Duties may be specific or ad valorem. Or a combination of these two types of duties may be used, the rate yielding the highest revenue being applied. Many items essential for education, health, or economic development are duty free.

Some commodities may be imported into the EAC under an open general license or a specific import license valid from date of issue until end of the calendar year. Addi-

VALUE OF U.S. TRADE WITH KENYA, UGANDA, AND TANZANIA, 1964-66

Commodity	1964	1965	1966
	1,000 U.S. dol.	*1,000 U.S. dol.*	*1,000 U.S. dol.*
U.S. exports:			
Corn	56	5,905	6,139
Wheat	—	916	2,774
Nonfat dry milk	305	1,325	1,922
Rice, milled	235	553	567
Soybean oil	—	1,088	1,123
Cotton	—	215	74
Tallow	69	243	427
Other agricultural	1,387	1,231	2,307
Total agricultural	2,052	11,476	15,333
Nonagricultural	19,530	20,764	22,729
Total	21,582	32,240	38,062
U.S. imports:			
Coffee	67,459	50,149	71,509
Tea	4,194	4,403	4,470
Pyrethrum, extract and flowers	3,747	1,966	3,400
Sisal	4,908	1,808	1,227
Cloves (spices)	224	336	762
Hides and skins	188	645	304
Cashew nuts	91	148	202
Other agricultural	1,913	4,042	2,903
Total agricultural	82,724	63,497	84,777
Nonagricultural	1,778	3,594	12,065
Total	84,502	67,091	96,842

tional internal taxes are levied on such import items as alcoholic beverages, sugar, and tobacco.

In 1966 the value of the cash crop exports of the EAC countries to the United States was $84.7 million. U.S. exports to these countries were valued at $38 million, of which $22.7 million represented agricultural products.

Prospects were favorable for economic expansion in the EAC countries during 1967. Private capital investment, which remained at a standstill during the early 1960's—the transitional years following independence—started to increase. According to government development plan forecasts, the EAC countries can look forward to a rising growth rate for the next 5 years. They are already making slow but steady headway in the modernization of their agricultural base and in the introduction of industry.

Recent budgets introduced by the governments of all three countries indicate that each country plans substantial increases in government expenditures to accelerate economic and industrial development. The countries are also attempting to harmonize their fiscal measures. Changes in income and excise taxes affecting primarily the middle and upper income groups have been requested in order to provide higher domestic revenues. Increases in customs duties have also been requested.

European Economic Community's Grain Prices System in Operation

By DONALD J. NOVOTNY
ROBERT J. SVEC
Grain and Feed Division, FAS

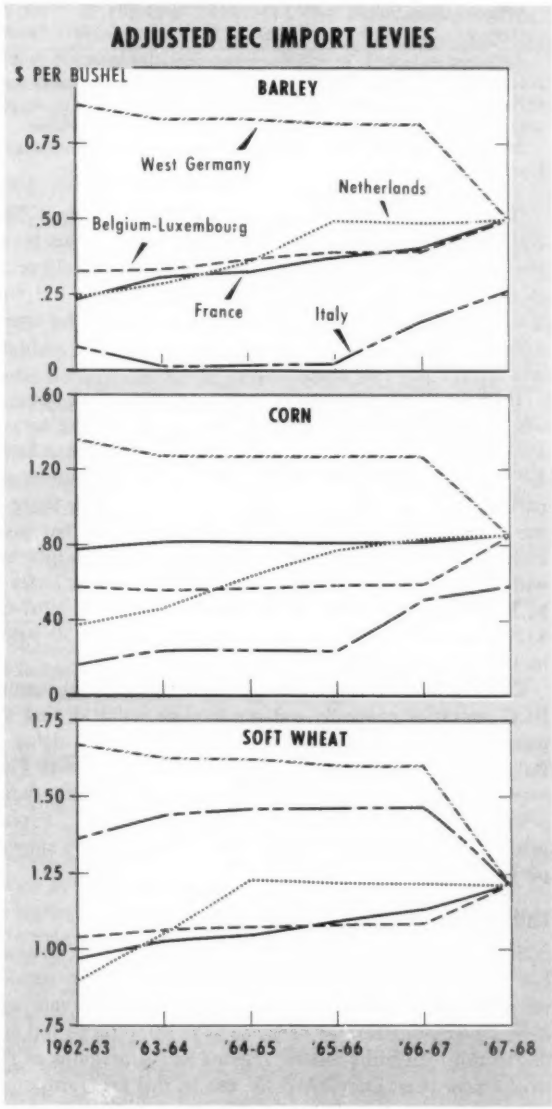
On July 1 of this year, the major transitional phase in the development of the European Economic Community's common price and common policy for grain was completed. Only one principal step in this unification process remains. That is to bring Italy's feedgrain prices into line with those of the rest of the Community. This changeover is to be accomplished by the end of the 1971-72 marketing year.

The fundamental changes that brought about the common EEC grain market on July 1 were, in brief:

- For the first time, grain was allowed to move between member EEC countries without tariff, levy, or other restriction. The single exception is feedgrains from Italy.
- A common levy—the same at all EEC ports of entry—was instituted against grain from nonmember sources. Previously each member had charged a different levy, set to protect its own internal price support level. The only exception is Italian feedgrain levies, which are allowed to be lower until the 1972-73 marketing year.
- A common export subsidy, called "restitution," was initiated for grain being exported from the EEC. The subsidy differs according to grain and, in some instances, according to destination and month of shipment but is the same for all member countries and points of loading. Again, Italy is a temporary exception, eligible only for somewhat smaller feedgrain subsidies until 1972-73.
- One EEC target price—at Duisburg—and one EEC threshold price—at Rotterdam—replaced different target and threshold prices for each country.
- Intervention prices (also called support or takeover prices) at local points throughout the Community came under complete control of the EEC Commission.

Transitional price changes

Since July 1962, EEC *internal grain prices* have been coming closer together step by step. In general during this 5-year transitional phase French, Netherlands, Belgium-Luxembourg, and Italian prices moved upward to conform to the new common market. German prices moved downward, in one big step at the last moment in 1967. In France the full effect of the rising prices was not realized in farmer returns because of taxes temporarily imposed on grain marketings. The following table summarizes prices during the transitional period.



Levies shown here are based on threshold prices for August of each year for barley and for wheat and October of each year for corn, and are adjusted to reflect world prices constant at levels prevailing on August 1, 1967, for barley and for wheat and on October 1, 1967, for corn.

MARKET PRICES [1] FOR WHEAT, BARLEY, AND CORN IN EEC COUNTRIES DURING TRANSITIONAL PERIOD

[Dollars per metric ton]

Country and grain	Marketing year				
	1962-63	1963-64	1964-65	1965-66	1966-67
Belgium-Luxembourg:					
Wheat	101.74	[2] 98.63	102.20	101.96	97.60
Barley	88.46	81.38	85.94	[2] 88.60	90.14
France:					
Wheat	98.80	100.95	97.73	100.73	101.90
Barley	74.90	72.78	73.63	75.92	77.01
Corn [3]	85.29	87.20	87.87	86.63	87.60
West Germany:					
Wheat	[2] 111.12	109.87	110.50	112.25	111.50
Barley	111.62	107.50	111.00	112.87	109.75
Italy:					
Wheat	103.60	105.33	103.20	103.41	103.12
Barley	75.84	72.61	76.00	82.00	86.00
Corn [4]	68.40	73.20	73.90	75.87	73.90
The Netherlands:					
Wheat	(5)	[2] 92.13	95.72	101.24	100.28
Barley	(5)	75.28	79.97	89.36	83.98

[1] Except as noted, monthly-average country prices based on August comparisons for wheat and barley and on October comparisons for corn. [2] For September. [3] Average price in surplus area. [4] Average price in most deficit area. [5] Not available.

Marche Agricole, Prix; Office Statistique Des Communautes Europeenes.

The *levy-paid cost* of imported grain rose in all EEC countries except West Germany during the transitional period as a result of the gradual increase in threshold prices in those countries. West German wheat, barley, and corn levies decreased less than $4.00 per ton during the transitional period; in 1967 they were reduced $14.24, $14.87, and $16.12 per ton, respectively.

In Italy, because support and threshold prices for soft wheat increased during the transitional period, the levy in 1966 was $9.22 above the 1967 unified levy. Italian levies for feedgrains increased greatly also during the transitional period; even so, they were still much lower than those in the rest of the Community. The arrangement that gives Italy an extra 5 years to bring its feedgrain levies into line with those of the rest of the EEC permits Italian levies to be $10.63 per ton below the common EEC levy in 1967-68, $10.00 below in 1968-69 and 1969-70, and $7.50 below in 1970-71 and 1971-72.

Overall, internal market and producer price levels among EEC countries generally did not change much during the transitional period, partly because of the 5-year delay in Italian adjustments and the postponement of most of Germany's downward adjustments until 1967. Netherlands prices rose by perhaps the greatest proportion; French prices rose moderately; Belgian and German prices showed no really significant change.

Unified export restitutions (subsidies)

Since this past July 1, the EEC Headquarters in Brussels has subsidized the export of major grains. The subsidy payments have been adjusted at frequent intervals and have shown considerable variance as to shipping period and destination. Several different regions and subregions of the world have been established for use in this program.

These export subsidies indicate the general effort exerted to encourage and assist exports. For example, wheat export subsidies have been rising since the program began in July, and currently the subsidy level exceeds the levy applied to imports for certain specified destinations. Declining world wheat prices since July 1 have contributed to the rising levy; however, proportionately greater increases have occurred in the export subsidy.

Grain taken over by the EEC intervention agencies in their local price support operations must eventually be offered for resale in the internal EEC market or offered for disposal in the export market. Thus far, experience with the management of grain accumulated by the intervention agencies is very limited, and resale operation practices will undoubtedly undergo considerable experimentation and modification during the current year. This is particularly true because the 1967 EEC grain crop is approximately 10 percent above any previous level and will probably aggravate local supply situations.

The EEC has an added disposition alternative for wheat, which is the principal grain expected to be in localized surplus, in the form of denaturing—a subsidized means of directing surplus wheat into feed use. Although the entire system remains in the experimental phase, it is possible that subsidized local feed uses rather than subsidized exports will become the chief means of disposing of localized wheat surpluses. As these operations develop and are observed, it will be possible to determine more fully the principal impact of EEC grain handling operations on foreign suppliers and the world competitive situation for wheat and feedgrains.

Sweden Adopts New Agricultural Policy

Sweden's new agricultural policy—in effect since September 1, 1967—has put into law proposals to move the country away from traditional goals of complete agricultural self-sufficiency towards stabilized production. Food supplies would be supplemented by imports at prices lower than Sweden's farmers could produce them. (For details of the proposed legislation see *Foreign Agriculture*, October 17, 1966.) The new program has brought on a degree of internal liberalization, but with few exceptions has made no significant reduction in agricultural protectionism.

Highlights of the new program include the retention of Sweden's high price line, by which domestic prices are kept up by import taxes. These import taxes will remain unchanged for most products as long as domestic prices stay within newly established ceiling and floor levels. A flexible import tax has been set for breadgrain.

The new policy has eliminated Sweden's 3-percent rule, which allowed an adjustment in price levels whenever the Consumers' Price Index fluctuated by more than 3 percent. Inflation rules for adjusting import taxes have been replaced by an annual adjustment on the basis of the inflation rate.

An attempt has been made to adjust price relationships—and to some degree the general farm price level—to prices in the European Economic Community. This policy has so far been clearly expressed only for sugar.

Market regulations are now handled by independent associations for all products, including milk and manufacturing potatoes. Prior to September 1, 1967, milk regulations were handled by the Swedish Dairies Association and those for potatoes by a farm-owned cooperative. This move is aimed at putting farm organizations on equal competitive footing with other marketing agencies.

—Dispatch from JAMES F. LANKFORD
U.S. Agricultural Attaché, Stockholm

Devaluation in Great Britain and What It Means to U.S. Farm Trade

Probably the most far-reaching economic event of 1967 was the United Kingdom's devaluation of the pound from the U.S. equivalent of $2.80 to $2.40. This November 18 action—which was followed by devaluation in several U.K. trading partners, territories, and dependences [1]—ended the United Kingdom's 2-year drive to bolster its balance of payments position through austerity measures alone. For U.S. and world agriculture, it means two things.

First, it means that the United Kingdom—world's largest importer of food and agricultural products and our third largest dollar market—will have to pay more for its imports. Under the old exchange rate, a commodity that had a world market price of $280, cost a British importer £100. Under the new exchange rate, the British importer will have to pay just under £117 for the same item.

Secondly, it means that British exports are cheaper in the world market. For example, British wool that sold for £1000 under the old exchange rate cost an American importer $2,800; under the new rate, it will cost him $2,400. (This assumes of course other costs remain the same.)

These changes will have a number of short- and long-term effects upon agricultural commodities produced in the United States. Since imports from the United States and other nations that did not devalue become more expensive to the nations that did devalue, there will be a depressing effect on U.S. exports. However, the devaluing nations are most likely to cut back on nonessential commodities first, and thus U.S. agricultural exports should not feel the impact of devaluation to the same extent as other less-essential items. In 1966 the United States exported nearly $1 billion worth of agricultural commodities to the United Kingdom and other nations that devalued. This accounts for 30 percent of all U.S. exports to them.

In evaluating the U.S. position it should be remembered that this country's competitive status in the world market for agricultural commodities has not changed with regard to Australia, Canada, Argentina, and other agricultural exporting nations that did not devalue.

As already stated, exports from the devaluing nations will become cheaper. This has two ramifications. First, agricultural imports by the United States from these nations will become more competitive with domestic production. Secondly, a devaluing country's exports will become more competitive with U.S. exports to third countries.

TABLE I: CHANGE IN SELECTED COUNTRIES' EXCHANGE RATES FOLLOWING DEVALUATION [1]

Country	Monetary unit	Exchange rate		Percent devaluation
		Old	New	
		U.S. cents per unit	*U.S. cents per unit*	*Percent*
United Kingdom	Pound sterling	280.00	240.00	14.3
Bermuda	Bermuda pound	280.00	240.00	14.3
Ceylon	Ceylonese rupee	21.00	16.80	20.0
Denmark	Krone	14.48	13.33	7.9
Guyana	Guyanan dollar	58.33	50.00	14.3
Hong Kong	Hong Kong dollar	17.50	[2] 16.50	[2] 5.7
Ireland	Irish pound	280.00	240.00	14.3
Israel	Israeli pound	33.33	28.57	14.3
Jamaica	Jamaican pound	280.00	240.00	14.3
New Zealand	NewZealand dollar	139.05	112.00	19.5
Spain	Peseta	1.67	1.43	14.3

[1] Excludes several countries, territories, and dependencies whose agricultural trade with the United States is small. [2] Net effect after upward revaluation which immediately followed devaluation.

TABLE II: U.S. EXPORTS IN 1966 TO THE UNITED KINGDOM AND ALL COUNTRIES SHOWN IN TABLE I

Item	Value	
	United Kingdom	All countries listed in table I
Major agricultural commodities:	*U.S. dollars*	*U.S. dollars*
Lard and tallow	17.1	27.6
Grain sorghum	6.3	29.3
Cotton	17.3	35.2
Wheat/wheat flour	50.6	77.2
Soybeans and soybean products	23.1	177.9
Tobacco	136.2	178.0
Corn	105.7	211.0
Total	356.3	736.2
Total agricultural exports	471.0	958.8
Total exports	1,645.3	3,128.5

Greater purchasing power in the long run

While the short-run effects will be somewhat unfavorable to U.S. exports—agricultural or nonagricultural—the long-run effects should be to increase the size of the world market in which this country will share. As long as the British pound and the other currencies were overvalued, devaluing nations had difficulty in bringing about fundamental adjustments in their domestic economies. With devalued currencies, these nations have more time and flexibility in which to operate and bring about sound economic growth. The increases in income associated with this growth will lead to expanded world trade, and the potential for U.S. farm exports should increase.

—O. Halbert Goolsby
International Monetary and Trade Research Branch
Economic Research Service

[1] Nations that devalued their currencies at or about the same time include Bermuda, Ceylon, Denmark, Guyana, Hong Kong, Ireland, Israel, Jamaca, and New Zealand.

Entry Date for Irish Apple Imports

To meet domestic demand until next year's apple crop becomes available, Ireland's Minister for Agriculture and Fisheries has announced that licenses will be granted for imports between December 5, 1967, and July 7, 1968, of raw apples grown elsewhere than in the United Kingdom. (A license is not required for U.K. apples.)

The entry date for apple imports from third countries this year is earlier than the normal January date owing to small apple crops in both Ireland and the United Kingdom.

Fruit importers in Ireland have been reminded that apples imported from any source during August 1-February 29 are subject to a customs duty of 1.75 cents per pound, while a quota of 3,000 long tons of U.K. apples will be allowed entry at a duty of 1.16 cents per pound. Apples imported between March 1 and July 31 from sources outside the United Kingdom will be subject to a duty of 1.16 cents per pound, while U.K. apples will be free of duty.

IFYE: Progress Tomorrow Through the Youth of Today

This IFYE delegate finds plowing in the Philippines a lot different from the same task on his family's Texas farm.

A year from now, the newly independent African nation of Botswana will have laid the groundwork for a 4-H-type organization through which rural young people can learn the techniques and exchange the ideas needed to turn the concept of "self-help" into action programs for agricultural improvement. The organization will be patterned after 4-H Clubs in the United States with the aid of a young American now in Botswana under the International Farm Youth Exchangee (IFYE), conducted by the National 4-H Club Foundation in behalf of the State land-grant universities and the U.S. Department of Agriculture.

This IFYE exchange is one of some 4,000 from the United States and almost 70 other countries who, in the last 20 years, have been sharing ideas for a better farm life by living and working with rural families and groups. In 1967 alone, 86 Americans traveled to 34 countries, while 92 young people from 35 countries came to the United States. Generally on 6-month tours during which they live with six or eight different families, agricultural schools, or Peace Corps settlements, the exchangees help with farm and household chores, join in activities with 4-H-type organizations, teach, and learn—becoming "members," not "guests" of the host families and groups. These latter number some 2,000 annually.

As a successful pioneer among rural youth exchanges, IFYE provided some of the framework for the agricultural programs of the Peace Corps when it was set up in 1961. Many former 4-H'ers have since worked in Peace Corps projects with 4-H-type groups around the world.

Financing in the United States comes from individuals, 4-H Clubs, business and industry, foundations, and cooperatives. In foreign countries, support is from both government and private sources. Limited U.S. Government grants are also available for some program expenses.

Above, delegate from Costa Rica (center) has an opportunity to see how milk is processed and containerized in an American dairy plant; below, exchangee from India (right) meets members of his Illinois host family by the farm's feed bunk to plan farm chores of the day.

U.S. delegate helps with gardening on German farm.

Venezuelan visitor, above, shows his skill on horseback as he rides herd on a pony; below, Australian delegate sprays fruit trees; left U.S. IFYE lends a hand in a German kitchen.

Digging irrigation trench was task of two U.S. delegates to Thailand.

American IFYE samples Philippine cookery.

Large Agricultural Outturn Leaves Spain With Surplus Problem

Spanish farmers in 1967 produced one of their largest outturns in recent years. Nevertheless, their efforts were insufficient to check the country's rising food prices as consumers increasingly demand products in limited supply while demand for commodities in surplus continues to decline.

The wheat harvest completed in mid-October was the largest in modern Spanish history—a staggering 5.6 million metric tons. At 300,000 tons, production of milled rice was likewise in surplus. These two grain crops, plus overproduction of wine, are adding to the Spanish Government's surplus disposal problems.

Disposal of the agricultural surpluses produced in 1966 is expected to cost the Spanish Government nearly $200 million. Disposal of wheat surpluses of about 2 million tons will be through feeding of the grain to livestock at a cost of about $25 per ton or subsidizing exports at a cost of about $58 per ton. As for rice, disposal of the surplus stocks would cost the government at least $7 million, while for wine, the cost rises to $116 million.

The root of the problem lies in the discrepancy between what farmers are producing and what consumers are demanding as their incomes increase. Spanish consumers today are eating less bread and other starchy foods and more meat, milk, cheese, and eggs. Although great improvements have been made in balancing demand and supply of some agricultural products, agricultural production still largely reflects the eating habits of bygone days.

The situation is not completely gloomy as farmers are making steady headway in production of the products consumers are demanding. Output of all meats in 1967 rose to 1,125,000 metric tons from 945,000 in 1966. Although production of lamb and mutton has been holding steady at about 120,000 tons, that of beef and veal rose 16 percent to 230,000 tons, pork 23 percent to 450,000, and poultry 29 percent to 275,000. Production of feedgrains has likewise been gaining, led by barley. Barley output was 2.6 million metric tons, one-fifth more than in 1966.

On the other hand, preliminary analyses show lower output of fruits and vegetables, including citrus. A cotton crop only two-thirds the size of the 1966 harvest is expected to result in substantial imports. However, a smaller olive oil output will not necessarily have the same effect because of large carryover stocks, processing of domestic soybeans, and larger production of other oilseeds, like safflower.

Spain's current agricultural situation suggests the need for continued increases in food imports to meet consumer demands and curb price increases. For the Second Economic Development Plan (1968-71) now under preparation, economists plan that imports of meat will decline from a projected $50 million in 1967 (actually $83 million in 1966) to $36.6 million in 1971 and oilseeds from $72.5 million to $58.3 million. Purchases of dairy products are projected to hold steady at $13 million, while those of sugar and feedgrains (barley and corn) are slated to increase from $27.2 million to $40.6 million and from $230.1 million to $258.8 million, respectively. Many observers believe that projections for meat, oilseeds, and dairy products are too low and those for feedgrains and sugar too high.

On the export side, shipments of agricultural products are expected to decline in importance relative to overall exports. In 1966, industrial exports exceeded those of traditional agricultural products by an appreciable margin for the first time. By 1971, exports of foodstuffs are expected to increase to $682.3 million from a projected $579.2 million in 1967, while those of capital goods are projected to rise to $510.7 million from $246.2 million and those of consumer goods to $546.1 million from $230.9 million.

These articles are based on dispatches from Douglas M. Crawford, *U.S. Agricultural Attaché in Madrid.*

Spain's Citrus Crop Down Because of Drought

Because of prolonged drought and high summer temperatures, Spain's citrus harvest this year is expected to be down 7 percent from last year's record production. However, average size of the fruits is somewhat larger than that of last year, when small fruits were predominant, and quality is reported good.

As of October 1, output was estimated at 2,210,800 metric tons—1,889,300 of oranges, 203,550 of tangerines, 111,550 of lemons, and 6,400 of grapefruit. Trees under 7 years of age—largely early varieties—now occupy one-third of Spain's total citrus acreage, indicating that production is likely to expand in the future.

Estimates of exports from the new crop currently range from 1.2 million to 1.3 million metric tons, which could make them about equal to those of 1966-67. Spanish exports of fresh citrus are meeting with increasing competition in their traditional markets of Western Europe, especially from Morocco and Israel. However, exports to East European countries are increasing.

In order to enhance the image of Spanish citrus in foreign markets, the government plans more intensive promotion in West Germany, the United Kingdom, Belgium-Luxembourg, Switzerland, the Scandinavian countries, Austria, and Poland. In France, Spain will contribute to a generic advertising campaign with the citrus committee of the Franc Zone.

Production of citrus products increased in 1966-67 to 44,965 metric tons from 40,411 the year before. Citrus processors report severe price and supply problems caused by a shortage of oranges with suitable processing qualities. In view of this, a World-Bank-FAO report early this year recommended that Spanish producers direct their attention to dual-purpose varieties since world demand for citrus products is growing faster than that for fresh fruit.

In calendar year 1966, Spain exported 5,457 tons of single-strength juices, 4,542 of concentrates, 3,463 of peel, and 125 of essential oils. Largest markets are the United Kingdom and West Germany.

Imports of citrus products are small. In 1966, Spain bought 132 tons of fruit juices, mostly from Morocco, the United Kingdom, and Italy and 110 tons of essential oils, 60 percent from the United States. In the first half of 1967, the United States supplied 50 percent of juice imports of 306 tons and over 70 percent of the essential oils, estimated at 132 tons.

Feedgrain Team Sees Steady Market for U.S. Grain in Great Britain and the EEC Nations

The United States should be able to maintain its current level of feedgrain exports to Western Europe in the years immediately ahead, according to a feedgrain export team just back from Europe. Team members point out, however, that growth in such sales is being retarded by EEC protectionism and active foreign competition.

Subjects of the team's recent 3-week survey were the United Kingdom and the EEC countries (the Netherlands, France, Belgium-Luxembourg, Italy, and West Germany). These countries make up the biggest export market for U.S. feedgrains, taking 9.0 million metric tons of such grains in fiscal 1967 and 13.4 million in fiscal 1966. Among the teams' findings:

• U.K./EEC feedgrain imports (now equivalent to about 800 million bushels of corn annually from all sources, compared with 500 million 7-8 years ago) will probably not increase in the next 2 or 3 years unless European crops are reduced by unfavorable weather. Over the longer run, the growth in corn and grain sorghum imports may resume, but it will be slower than in recent years. The trade team feels it will depend on grain price and livestock-product trade policies which are still in early stages of development in the EEC.

Insulated against competition

In the EEC, the variable levy system effectively protects Community feedgrain producers from outside competition, and the full impact of this policy has begun to emerge. Production of grain in France already seems to be responding to higher prices, and a shift from wheat and barley to corn can be expected in the EEC with a general uptrend in yields. In addition, an increase is seen for feeding of EEC soft wheat to livestock unless higher world prices attract such wheat into export.

In the United Kingdom, the internal programs for grain also impede the expansion of corn and grain sorghum imports. Prices there rest at near world levels, but a direct payment to producers brings effective prices somewhat above world levels, thus providing incentive to expand domestic production.

• Threshold price differentials on feedgrains presently benefit other grains over grain sorghum. Hence, it is possible that EEC imports of grain sorghum in 1967-68 will fall below 1 million tons—lowest level in 10 years.

The present EEC threshold price for grain sorghum is $86.19 per metric ton—only $2.94 less than for corn and $2.81 less than for barley. The team urged EEC officials to enlarge the differential to reflect the generally accepted difference in market and feeding value so that grain sorghum is not discriminated against.

Quality still a problem

• Corn quality continues to be a problem in U.S. sales to Europe. The main problem is broken kernels which are a product of mechanical harvesting and improper drying. Heating and sour or musty corn cause less concern than they did 2 or 3 years ago.

Several developments indicate that correction of this problem is now receiving all possible attention. Producers, country elevators, and terminal elevators are acquiring more drying facilities and using better techniques.

The cooperative market development projects of the U.S. Feed Grains Council and USDA in Western Europe have been important to advancing feeding technology and getting more intensive grain feeding of livestock. There is still room to go. Meat consumption in the EEC is about 60 percent of U.S. levels; in the United Kingdom, about 72 percent. Projects aimed at helping Europe to expand its production of grain-fed livestock and its utilization of corn and grain sorghum appear to be paying dividends.

Members of the feedgrain team included team leader, Francis A. Kutish of the USDA Staff Economists Group; Donald J. Novotny, Grain and Feed Division, FAS; Samuel H. Sabin, Vice President, Continental Grain Company, representing exporters; Clarence D. Palmby, Executive Vice President U.S. Feed Grains Council, representing market development cooperators; and John P. Heline, Marcus, Iowa; Elbert Harp, Abernathy, Texas; and Lyndal Wilson, Kokomo, Indiana, representing feedgrain producers.

Clockwise from above: Lyndell Wilson, grain producer from Indiana, examines corn in a field near Senlis, France; team members look over French beef cattle; and in U.S. Feed Grains Council office, Rotterdam, team members trace the flow of U.S. grain down the Rhine River.

U.S. Food Exhibit Attracts Crowds at Dijon

The U.S. food industry has once more made its bid for the European's food dollar, this time at the International Exposition of Foods, Wines, and Gastronomy at Dijon, France, last month. The U.S. exhibit—one of 17 country displays—drew crowds of curious consumers, who sipped orange juice, sampled soup, and ate popcorn.

U.S. participation in the show was aimed at exhibiting American food products that are available on an unrestricted basis in France. These include orange, grapefruit, and pineapple juice, dry peas and lentils, Michigan navy beans, and a wide variety of processed foods—many of them relatively new to France.

Trade response to the exhibit was good with inquiries which will likely mean more U.S. food products on France's retail shelves in the future.

Left, French children sample U.S. orange juice; below left, two buyers, left, talk business with a U.S. exporter; center, poodle gets into the act promoting dog food; below right, sampling of pop-in-the-pan popcorn.

Philippine Trade Newest Target for an American Food Show

The first exhibition of U.S. foods in the Philippines—a "trade only" show cosponsored by FAS and Grocery Manufacturers of America, Inc. —has been rated a success. The 5-day American Food Exhibition in Manila last month offered for inspection some 500 high-quality grocery items from 45 participating companies. Several products got their first exposure in the Philippines.

More than 225 wholesale and retail food tradesmen—representing the majority of the Philippines food industry attended the day-long food merchandising seminar before the exhibit.

Response to the show indicates particularly bright prospects for future sales of U.S. foods to the hotel and restaurant trade. Good items were turkeys and turkey rolls, institutional packs, and portion-controlled items.

Right, revolving food display at the door of exhibit; far right, Wheat Associates' Fred Schneiter talks with food editor of the Philippines Herald; *above, crowds on opening day.*

Weekly Report on Rotterdam Grain Prices

During the period ending November 23, 1967, Canadian wheat offers in Rotterdam held firm while U.S. hard wheat and soft wheat prices increased. Argentine wheat was unchanged.

U.S. corn prices were unchanged. Argentine corn prices declined.

Item	Week ending Nov. 23	Week ending Nov. 15	A year ago
	Dol. per bu.	*Dol. per bu.*	*Dol. per bu.*
Wheat:			
Canadian No. 2 Manitoba	2.07	2.07	2.15
U.S. No. 2 Dark Northern Spring 14 percent	2.00	1.98	2.05
U.S. No. 2 Hard Winter 12 percent	1.89	1.88	1.94
Argentine	1.92	1.92	1.82
U.S. No. 2 Soft Red Winter	1.77	1.75	1.91
Corn:			
U.S. No. 3 yellow corn	1.38	1.38	1.58
Argentine plate	1.82	1.85	1.68
So. African white	(1)	1.50	(1)

1 Not quoted.

NOTE: All quotes c.i.f. Rotterdam and for 30- to 60-day delivery.

World Corn Crop May Hit New High

World corn production in 1967 is estimated at a record 236 million metric tons, 4 percent above last year's high of 227 million tons and 21 percent above the 1960-64 average.

World corn acreage is estimated at 253 million acres, 3 percent above the 1966 area and 3.5 percent over the 5 year average. Per-acre yields are 1 percent above 1966 and 17 percent over 1960-64.

The North American corn crop is estimated at 132 million tons, up 13 percent. The United States produced 119.3 million tons, Mexico 8.5 million, and Canada 1.8 million—all record performances.

The West European crop, at 9.9 million tons, was down 3 percent. East European production, estimated at 19.8 million tons, declined 13 percent, and the Soviet Union crop was down 12 percent to 6.0 million.

A detailed table and analysis appears in the November *World Agricultural Production and Trade—Statistical Report.*

United Kingdom's Honey Imports Rising

The United Kingdom's imports of honey amounted to 32.7 million pounds in 1966, an increase of 14 percent over 1965. Imports have more than doubled since 1955-59, indicating it is one of the more promising honey markets. The big factor in the rise has been a rapid per capita consumption increase. In the United Kingdom honey is considered a health food.

Domestic honey production remains small, although the 1967 crop is an estimated 9.9 million pounds, making it the largest in the most recent 3-year period, due to more favorable weather conditions. Imports during January through August 1967 totaled 21.2 million pounds, the same as for the corresponding period of 1966.

Since August, Mainland China has reportedly strongly entered the U.K. market, although no figures are available. As can be seen in the following table, Mainland China was selling its honey at a very low average price compared with other exporting countries in 1966, apparently in an effort to earn hard currency. There is a general tendency toward lower overall prices in all markets where Mainland China sells its honey. At the present time, Mainland China is reportedly offering its honey at 7 cents per pound for dark amber (for industrial uses) and 10 cents per pound for light amber, delivered to Northern European port of entry.

UNITED KINGDOM'S IMPORTS OF HONEY IN 1966

Origin	Quantity	Unit value	Value	Share of total
	1,000 pounds	*U.S. cents/ pound*	*1,000 dollars*	*Percent*
Canada	7,372	27.1	1,998	36.4
Australia	11,799	12.6	1,491	27.2
Argentina	4,211	12.7	533	9.7
Mexico	3,459	11.0	381	6.9
United States	1,268	24.1	305	5.6
New Zealand	573	25.0	143	2.6
Mainland China	1,082	9.2	100	1.8
Other	2,962	18.2	538	9.8
Total	32,726	——	5,489	100.0

West Germany Uses Less Cotton

West German cotton consumption during the 1966-67 season is estimated at 1.14 million bales, the smallest since 1952-53. This is 9 percent below the 1.25 million consumed a year earlier.

The West German textile industry has been severely affected by the business recession during the 1966-67 season. Recently, forward buying was restricted by the disparity between the prices obtainable for yarn and those asked for raw cotton. Asking prices were up in virtually all producing countries, and most recent business in raw cotton has been out of merchants' stocks committed earlier at prices below current levels.

While cotton consumption is not likely to decline much below last year's level, a continued weakness in the offtake of cotton goods and increased competition from manmade fibers provide little grounds for expecting significant improvement during the current season.

In recent years, a dramatic increase in the production of manmade fibers has occurred in the West German textile industry. Most of this expansion has been in production of noncellulosic fibers. Noncellulosic fibers produced in 1966 totaled 1,530,000 bales (cotton equivalent), up 19 percent from the 1,291,000 bale equivalent produced in 1965.

Total imports of raw cotton for the 1966-67 marketing year (August-July) were approximately 1,217,000 bales, 3 percent below the 1,250,000 imported in the previous season.

The major suppliers during the 1966-67 season (1965-66 figures in parentheses) were: Brazil 271,000 bales

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(232,000), the United States 166,000 (108,000), Turkey 142,000 (104,000), the Sudan 125,000 (87,000), the USSR 86,000 (108,000), East Africa 80,000 (82,000), the UAR 63,000 (68,000), Mexico 63,000 (137,000), Peru 52,000 (70,000), Syria 44,000 (46,000), Nicaragua 35,000 (51,000), Iran 18,000 (64,000), Guatemala 13,000 (27,000), and Colombia 12,000 (3,000). The United States supplied West Germany with 14 percent of its total cotton imports, compared with 9 percent in the preceding marketing year.

Raw cotton stocks at the end of the 1966-67 season totaled 236,000 bales, down from 242,000 in the comparable period a year earlier. Re-exports reached 83,000 bales in the 1966-67 season, up 6 percent from 78,000 a year ago at this time.

Australia Adds Another Cotton Gin

The Namoi Cotton Cooperative in Australia has announced plans to build a new $500,000 cotton gin in the Namoi Valley—a famous cotton area pioneered by two American cotton producers from California.

This will bring to 5 the number of gins owned by the cooperative and to 12 the number for Australia as a whole, which has expanded cotton output considerably in recent years.

Members of the cooperative are believed to have planted 30,000 acres to cotton this year compared with 19,000 last year. The total planting in the Namoi Valley is estimated at around 45,000 acres. Planting ended in the first week of November.

India's Flue-Cured Exports

Exports of flue-cured tobacco from India during January-June 1967 totaled 53.7 million pounds, up 48 percent from the 36.4 million shipped out in the first half of 1966.

Much larger exports to the United Kingdom, Japan, the Soviet Union, Hungary, and Czechoslovakia accounted for most of the gain. In addition, Nigeria, Yugoslavia, and South Vietnam took more than 1 million pounds each compared with none in January-June 1966.

Average export prices to the United Kingdom this year were equivalent to 54 U.S. cents per pound, and to Japan 53 cents. The average price to all destinations combined was 45 cents.

INDIA'S EXPORTS OF FLUE-CURED TOBACCO

Destination	January-June 1966	January-June 1967	Average price, 1967
	1,000 pounds	*1,000 pounds*	*U.S. cents per lb.*
United Kingdom	21,689	30,705	54
Japan	3,103	6,222	53
Soviet Union	3,101	4,835	41
Hungary	1,787	2,906	13
Czechoslovakia	72	2,470	47
Nigeria	0	1,358	9
Yugoslavia	0	1,127	14
Vietnam, South	0	1,100	10
Singapore	200	635	27
Malaysia	1,090	361	15
Egypt	714	276	47
Senegal	998	220	9
Others	3,613	1,527	—
Total	36,365	53,742	45

Corrections: *Foreign Agriculture*, November 20, 1967, page 13, column 2, units under CAKES AND MEALS should read "1,000 tons."

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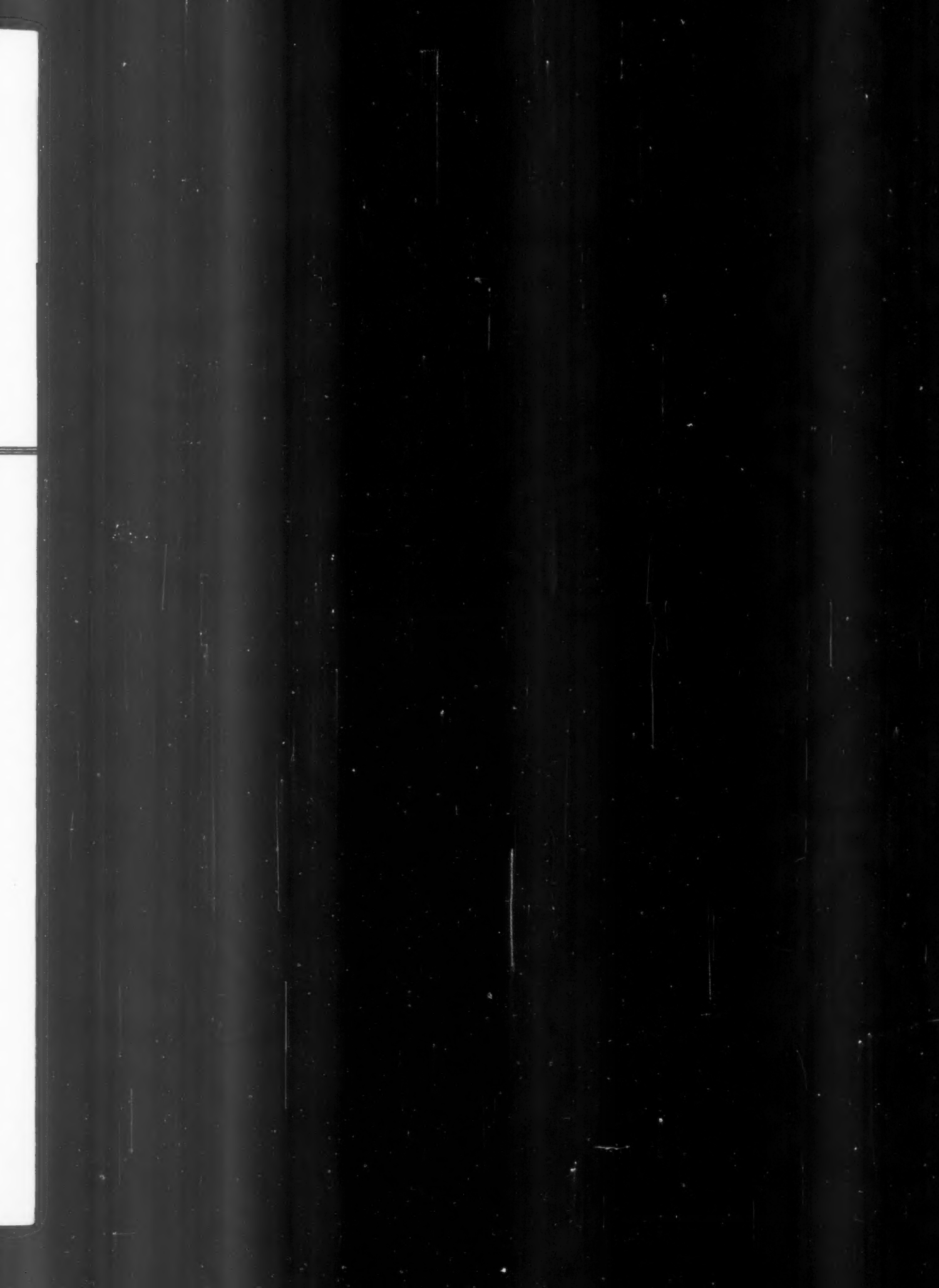
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